

***Revised Draft Work Plan for SJR 13
Study of Value-Added Agriculture and
Redevelopment of a Montana Food Processing Industry***

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Introduction

This Draft Work Plan for Senate Joint Resolution No. 13, a study of value-added agriculture and the redevelopment of a Montana food processing industry, will begin with comments from interested parties regarding what is needed in Montana for improving, expanding, or building a food-processing industry. Staff will also provide a report on model programs and policies that exist elsewhere, along with a summary of the economic, social, and environmental impacts of those model programs and policies and a review of activities related to value-added production in states with geography similar to Montana's.

After receiving the background information, the interim committee will hear from panels of interested persons on the barriers to value-added food production in Montana and policies that the legislature might propose to improve the value-added food production industry in this state.

I. *Scope of Study*

The Legislative Council on May 15, 2007, assigned Senate Joint Resolution No. 13, a study of value-added agriculture and the redevelopment of a Montana food processing industry to the Economic Affairs Interim Committee. Staff estimates that the study will require approximately 6 hours of committee time for reviewing background information, 2 panel discussions, and discussions of proposed legislation. The issues to be studied are listed below.

II. *Issues as listed in legislation*

SJR 13 states that Montana is losing opportunities to process agricultural products locally because of the small size of its food processing industry. As a result, value-added processing occurs elsewhere and the profits of processing flow to others.

To determine whether model programs and policies in effect elsewhere would work in Montana, the study proposes to involve input from producers, legislators, relevant businesses and nonprofit organizations, higher education, and state agencies to provide:

- a review of model programs and statistics from other states on the development of value-added food enterprises;

- a summary of the impacts on the economy, society, and the environment of these programs and policies;
- a local list of barriers to value-added food production;
- a report on how states with geography similar to Montana's add value to agricultural products; and
- proposals for legislation, letters of support, or other options that support value-added production, sustain natural resources, and encourage fair treatment of participants.

III. Study Schedule

2 hours Panel discussion on current activities involving farm-to-market efforts and barriers to value-added food production, including what producers, nonprofit organizations and relevant businesses consider necessary to expand, improve, or develop a food processing industry in Montana.

2 hours Staff and interested person presentation of model programs and statistics from other states on the development of value-added food enterprises; a summary of the impacts on the economy, society, and the environment of these programs and policies; and a report on how states with geography similar to Montana's add value to agricultural products.

1 to 2 hours Panel discussions on preferred options for legislation, letters of support, or other recommendations to implement what other states do to assist value-added food production or make changes in existing Montana law to improve food processing and transportation of local products.

30 minutes to 1 hr Review and revise any proposed legislation.

IV. Study deliverables and end products

Working papers on issues listed in SJR 13. Panel discussions. The final report will include recommendations for new legislation, if any, and revisions to existing statutes, if needed.

Letters to Congressional delegation regarding issues at the federal level, if the committee directs letters to be written.

Background report on model programs and policies along with a summary of impacts and a review of activities related to value-added production in states with geography similar to Montana's.